

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

SECURITIES INVESTOR PROTECTION
CORPORATION,

Plaintiff-Applicant,

v.

BERNARD L. MADOFF INVESTMENT
SECURITIES LLC,

Defendant.

In re:

BERNARD L. MADOFF,

Debtor.

Adv. Pro. No. 08-01789 (SMB)

SIPA Liquidation

(Substantively Consolidated)

**ORDER APPROVING TRUSTEE’S MOTION AND MEMORANDUM TO AFFIRM HIS
DETERMINATIONS DENYING CLAIMS OF CLAIMANTS HOLDING INTERESTS IN
CHALEK ASSOCIATES LLC, CHAITMAN/SCHWEBEL LLC, FGLS EQUITY LLC,
LARSCO INVESTMENTS LLC AND KUNTZMAN FAMILY LLC**

Upon consideration of the Trustee’s Motion and Memorandum to Affirm His Determination Denying Claims of Claimants Holding Interests in Chalek Associates LLC, Chaitman/Schwebel LLC, FGLS Equity LLC, Larsco Investments LLC, and Kuntzman Family LLC (the “Motion”),¹ dated August 16, 2016 (ECF No. 13885), filed by Irving H. Picard, as trustee (“Trustee”) for the liquidation of the business of Bernard L. Madoff Investment Securities LLC (“BLMIS”) under the Securities Investor Protection Act, 15 U.S.C. § 78aaa *et seq.* (“SIPA”), and the substantively consolidated chapter 7 estate of Bernard L. Madoff (“Madoff”), and it appearing that due and proper notice of the Motion and the relief requested therein have been given, and no other or further notice needs to be given; and that no objection, responsive pleading, or request for a hearing was made or filed with respect to the Motion; and the Trustee

¹ All capitalized terms not defined herein shall have the meaning ascribed in the Motion.

having filed a certificate of no objection representing that no objection has been received and that no party has indicated to the Trustee that it intends to oppose the relief requested in the Motion; and a hearing having been held on the Motion on September 28, 2016; and the Court having reviewed the Motion, the Declarations of Stephanie Ackerman and Vineet Sehgal, the objection to claims determinations, and the record in this case; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein, and after due deliberation and sufficient cause appearing therefor, **IT IS HEREBY:**

ORDERED, that the relief requested in the Motion is hereby granted to the extent set forth herein solely on the grounds that the Objecting Claimants are not “customers” as such term is used at SIPA § 78III(2); and it is further

ORDERED, that the Trustee’s denial of the customer claims listed on the Exhibit 2 annexed to the supporting Declaration of Vineet Sehgal, a copy of which Exhibit is attached hereto as Exhibit A, is affirmed, and such claims are disallowed; and it is further

ORDERED, that the objections to the Trustee’s determinations listed on the Exhibit 2 annexed to the supporting Declaration of Vineet Sehgal, a copy of which Exhibit is attached hereto as Exhibit A, are overruled; and it is further

ORDERED, that this Court shall retain jurisdiction to hear and determine all matters arising from or related to this Order.

Dated: New York, New York
October 4th, 2016

/s/ STUART M. BERNSTEIN
HONORABLE STUART M. BERNSTEIN
UNITED STATES BANKRUPTCY JUDGE